

# HOUSE BILL REPORT

## SSB 6022

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### As Reported By House Committee On:

Financial Institutions & Insurance

**Title:** An act relating to confidential and privileged information concerning financial institutions.

**Brief Description:** Protecting certain information concerning financial institutions.

**Sponsors:** Senate Committee on Financial Institutions, Insurance & Housing (originally sponsored by Senators Winsley and Hale).

### Brief History:

#### Committee Activity:

Financial Institutions & Insurance: 3/27/97, 3/31/97 [DPA].

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## HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

**Majority Report:** Do pass as amended. Signed by 7 members: Representatives L. Thomas, Chairman; Smith, Vice Chairman; Zellinsky, Vice Chairman; Wolfe, Ranking Minority Member; DeBolt; Sullivan and Wensman.

**Minority Report:** Without recommendation. Signed by 2 members: Representatives Constantine and Keiser.

**Staff:** Charlie Gavigan (786-7340).

**Background:** Under current law, examination reports and documents obtained by the Department of Financial Institutions are confidential and privileged information.

Check cashers and sellers apply to the Department of Financial Institutions for a license to engage in business. In order to apply for the license, a check casher and seller must file an application with the Department of Financial Institutions. Any information in the application regarding a residential address and telephone number is exempt from the public records disclosure requirements.

All records of registered broker-dealers and investment advisors are subject to periodic examinations by the director of the Department of Financial Institutions. Under current law, these records are not confidential once obtained by the department.

**Summary of Amended Bill:** Examination reports and related information obtained by the Department of Financial Institutions from banks, savings banks, savings and loan associations, credit unions, check cashers and sellers, and securities brokers and investment advisers are specifically exempt from the Public Disclosure Act.

**Amended Bill Compared to Substitute Bill:** The amendment makes a technical correction.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Amended Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** All financial institution examination information should be explicitly exempt from the Public Disclosure Act.

**Testimony Against:** None.

**Testified:** Senator Shirley Winsley, prime sponsor.